

37 Am. Jur. 2d Fraud and Deceit § 18

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Fraud and Deceit

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I. Overview

B. Nature and Effect

§ 18. Effect as vitiating transaction—In exchanges of property

[Topic Summary](#) | [Correlation Table](#) | [References](#)

West's Key Number Digest

West's Key Number Digest, [Fraud](#)  1

The general principles of the law of fraud¹ are applicable to transactions involving the exchange of property.² However, fraud in the exchange of property, generally speaking, assumes so many different hues and forms that the courts have been compelled to content themselves with comparatively few general rules for its discovery and defeat.³ The facts and circumstances of each case bear heavily in determining the presence or absence of fraud.⁴ Generally, however, a material misrepresentation of fact, made by one party to the other party in an exchange transaction, which the latter believes and on which he or she relies to his or her injury, constitutes fraud vitiating the transaction and entitling the latter party to relief.⁵

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Footnotes

¹ [§ 22.](#)

² [Sorrells v. Clifford, 23 Ariz. 448, 204 P. 1013 \(1922\).](#)

³ [Rhodes v. Uhl, 189 Iowa 408, 178 N.W. 394 \(1920\).](#)

⁴ [Westerbeck v. Cannon, 5 Wash. 2d 106, 104 P.2d 918 \(1940\).](#)

⁵ [McMeen v. Whipple, 23 Ill. 2d 352, 178 N.E.2d 351 \(1961\); Baker v. Meenach, 119 Ind. App. 154, 84 N.E.2d 719 \(1949\).](#)

